

# EXHIBIT 6

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1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK  
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3 UNITED STATES OF AMERICA,

4 v.

22 CR 19 (PGG)

5 BRADLEY PIERRE,

6 Sentence

7 Defendant.  
-----x

8  
9 New York, N.Y.  
June 3, 2024  
2:00 p.m.

10  
11 Before:

12 HON. PAUL G. GARDEPHE,

13 District Judge

14 APPEARANCES

15 DAMIAN WILLIAMS

16 United States Attorney for the  
Southern District of New York

17 MATHEW ANDREWS

Assistant United States Attorney

18 SERCARZ & RIOPELLE, LLP

Attorneys for Defendant

19 BY: ROLAND RIOPELLE  
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1 (Case called)

2 THE DEPUTY CLERK: Counsel for the government, please  
3 state your appearance.

4 MR. ANDREWS: Good afternoon, your Honor.  
5 Mathew Andrews, for the government.

6 THE DEPUTY CLERK: And, counsel for defendant, please  
7 state your appearance.

8 MR. RIOPELLE: Roland Riopelle, of Sercarz & Riopelle,  
9 for the defendant. Good afternoon, your Honor.

10 THE COURT: Good afternoon.

11 This matter is on my calendar for purposes of  
12 sentencing.

13 In preparation for sentencing, I have read the revised  
14 presentence report, which is dated March 4, 2024. I've read  
15 the defendant's submission, dated May 28, 2024, including all  
16 of the attached letters. I've also read the government's  
17 submission, dated May 29, 2024.

18 Mr. Riopelle, have you read the presentence report,  
19 its recommendation, and discussed it with Mr. Pierre?

20 MR. RIOPELLE: I have, your Honor.

21 THE COURT: Mr. Pierre, have you read the presentence  
22 report and its recommendation, and discussed it with  
23 Mr. Riopelle?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: Mr. Riopelle, do you have any objections

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1 to the factual portions of the presentence report?

2 MR. RIOPELLE: We do not, your Honor. I remind the  
3 Court that we agreed to a statement of facts, which is really  
4 regurgitated in the presentence report, so we have no  
5 objections.

6 THE COURT: Mr. Andrews, does the government have any  
7 objections to the factual portions of the presentence report?

8 MR. ANDREWS: No, your Honor.

9 THE COURT: I hereby adopt the findings of fact set  
10 forth in the presentence report.

11 Although I'm not required to impose sentence in  
12 accordance with the sentencing guidelines, I am required to  
13 consider what the guidelines recommend.

14 Here, Mr. Pierre pled guilty to Counts Four and Seven  
15 of the S3 indictment. Count Four charges him with conspiracy  
16 to commit Travel Act bribery. Count Seven charges Mr. Pierre  
17 with conspiracy to defraud the Internal Revenue Service.

18 For Count Four, the Travel Act bribery conspiracy, the  
19 base offense level is 12. Because the offense involved more  
20 than one bribe, the offense level is increased by two levels.  
21 Because the value of the bribe or the improper benefit  
22 conferred was between 1.5 million and 3.5 million dollars, the  
23 offense level is increased by 16. Because Mr. Pierre was an  
24 organizer or a leader of a criminal activity that involved five  
25 or more participants or was otherwise extensive, the offense

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level is increased by four levels.

Mr. Pierre's offense level is reduced by three levels for his acceptance of responsibility.

These calculations result in a total offense level for Count Four of 31.

As to Count Seven, conspiracy to defraud the IRS, the base offense level is 20 because the tax loss is greater than \$550,000, but less than \$1.5 million. The offense level is increased by two levels because Mr. Pierre failed to report or to correctly identify the source of income exceeding \$10,000 in any one year. Because the offense involved sophisticated means, the offense level is increased by two levels. Because Mr. Pierre was an organizer or a leader of a criminal activity that involved five or more participants, or was otherwise extensive, the offense level is increased by four levels.

Finally, as to Count Seven, the offense level is decreased by three levels for acceptance of responsibility.

These calculations result in an offense level of 25 for Count Seven.

The probation department concluded that Counts Four and Seven are grouped for purposes of the sentencing guidelines because the offense level for these offenses are determined largely on the basis of the total amount of harm or loss, and because the offense conduct for these offenses was ongoing and continuous in nature.

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1           Because Count Four has a higher offense level than  
2   Count Seven, the offense level for Count Four governs here.

3           As I've said, the total offense level for Count Four  
4   is level 31.

5           As to criminal history, Mr. Pierre has no criminal  
6   history points. Accordingly, he falls within Criminal History  
7   Category I.

8           Offense level 31, at Criminal History Category I,  
9   results in a guidelines range of 108 to 135 months'  
10   imprisonment. However, the statutory maximum sentence for  
11   Counts Four and Seven is 120 months.

12           Accordingly, the applicable guidelines range for  
13   Counts Four and Seven is 108 to 120 months' imprisonment.

14           Mr. Riopelle, do you have any objection to the  
15   accuracy of the guidelines calculation as I have reported them?

16           MR. RIOPELLE: No, your Honor. We've stipulated to  
17   that in the plea agreement.

18           THE COURT: Does the government have any objections to  
19   the accuracy of the guidelines calculations as I've reported  
20   them?

21           MR. ANDREWS: No, your Honor.

22           THE COURT: Based on my independent evaluation of the  
23   sentencing guidelines, I find that the offense level is 31; the  
24   criminal history category is I; and the applicable guidelines  
25   range is 108 to 120 months' imprisonment.

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1 Mr. Riopelle, I'll hear from you as to an appropriate  
2 sentence.

3 MR. RIOPELLE: Your Honor, I have proposed a sentence  
4 of 72 months in the written submission I made, which was made  
5 just as the Court was sentencing a couple of other persons  
6 associated with the criminal conduct at issue in this case to  
7 84 months.

8 In light of that, I don't think I can fairly ask the  
9 Court to impose a sentence of less than 84 months. I think  
10 what I can do is ask the Court not to impose a sentence of much  
11 more than that. I think the probation recommendation of  
12 96 months is entirely appropriate in this case.

13 Many, many, many years ago, I worked for a really  
14 terrific old criminal defense lawyer who said to me, an  
15 indictment represents about 2 percent of the client, let's  
16 represent the other 98. I do not defend the conduct here as  
17 harmless or that the guidelines overstate them, but I do think  
18 that this man, with children to support, very significant  
19 financial obligations to try to meet in this case, I don't see  
20 how sentencing him to 120 months instead of 96 months would --  
21 or 84 months will make any difference to anyone other than to  
22 him. Keep in mind that whatever sentence the Court imposes  
23 will be followed by at least three years of supervised release,  
24 so this man is going to be either incarcerated or supervised by  
25 the government for ten years or more. The chances that he will

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1 get back into trouble are small, and the chances that he will  
2 be able to do something to work on these financial penalties  
3 are great if the Court imposes a sentence something like that  
4 recommended by the probation department or even less.

5 I would like to update the Court and let it know that  
6 Mr. Pierre has settled with one of the insurance companies that  
7 is the victim of the fraud in this case. He is in very active  
8 discussions with another insurance company that was a victim of  
9 the fraud in this case to settle with them. Those settlements  
10 do require payments out from Mr. Pierre, as well as an  
11 agreement not to try to enforce any claims. And, by the way,  
12 the claims at issue in those settlements all predate the  
13 indictment in this case.

14 So he is trying to work through -- he's got a myriad  
15 of financial issues, obviously, that need to be dealt with.  
16 He's trying to work through them. He's doing his best to do  
17 what he can to make good on his financial obligations to his  
18 family, to the government, to the victims of the fraud. He is  
19 a person who, I think, understands he's going to suffer a very  
20 serious sentence today. He's willing to accept it. But I  
21 just think a sentence of greater than what the probation  
22 department has recommended is unnecessarily harsh in the  
23 context of this case.

24 I know, from speaking to lawyers who have been before  
25 your Honor in similar cases or cases related to this case, that



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1 your Honor is concerned about issues of general deterrence. I  
2 can tell the Court, I am really old, and the first time I  
3 handled a case like this one, that involved the Mallela theory  
4 of liability and fraud and that kind of thing, was about  
5 30 years ago, and I've handled a good half dozen over the years  
6 since then. Until now, they were all in state court. The  
7 leaders of those cases all got state time and went to the state  
8 penitentiary for two to six years or more, sometimes three to  
9 nine, and here we are. I don't think that -- you know, it's a  
10 sad fact about life, but I don't think that a harsher  
11 sentence -- 120 months versus 96 months or 84 months -- is going  
12 to make a difference in terms of general deterrence. I just  
13 don't believe that.

14 Again, I share with the Court my own experience as a  
15 criminal defense lawyer for going on 40 years now. There's  
16 really only one sort of organization or criminal that worries  
17 about sentences, and that's a professional criminal. The only  
18 criminals I've ever represented who were familiar with the  
19 sentencing process and worried about sentences are members of  
20 the Cosa Nostra, and I represented a professional burglar once  
21 who explained to me that he never carried anything but a  
22 screwdriver on a job because he knew a gun could get him more  
23 time. It didn't stop the burglar from burglarizing, and the fact  
24 that the Mafia forbade drug-dealing didn't stop drug-dealing  
25 from happening, and it didn't stop the Mafia from being the

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1 Mafia. The way that worked is one brother would go in the drug  
2 business and the other would be a bookie and launder the funds  
3 for his drug-dealing brother. The bookie would be the made  
4 man, and the drug dealer would be an associate.

5 Professional criminals know this stuff, they act  
6 accordingly, but it doesn't stop the crimes from happening. So  
7 it is my personal view, based on long experience, that arguing  
8 for general deterrence, once you get past a sentence of  
9 five years, six years, seven years, it doesn't matter anymore.  
10 That's a long sentence, that's a long time. The man is  
11 45 years old. He's going to be either in jail or supervised by  
12 the government for ten years or more now. He's going to be 55  
13 or 60 by the time he comes out from under the government's  
14 supervision in one form or another. I don't think it makes a  
15 difference to the world, to the government, whether he does one  
16 more year in jail or one less year in jail. It makes an  
17 enormous difference to him and his family and his ability to do  
18 something about the enormous financial penalties the Court is  
19 going to impose.

20 We were just signing the preliminary order of  
21 forfeiture and the consent order of restitution. It's  
22 5 million bucks. Big numbers. He's doing his best to settle  
23 with the insurance companies, get his financial house in order,  
24 so that he can pay those or at least some part of them. He is  
25 doing what he can to make this better. And, for that reason,

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1 your Honor, I just don't think that the 120 months that the  
2 government argues for is really necessary in this case.

3 And I would note that we've submitted to the Court the  
4 statistics that show that in a typical healthcare fraud case,  
5 the sentences are around 30 months to 50 months. We've already  
6 proposed a sentence way in excess of that, and I know we're  
7 going to get a sentence today way in excess of the average.  
8 That's probably appropriate, given that this man has admitted  
9 he's a leader of a nonviolent criminal enterprise, that  
10 committed what is significant fraud, but, again, it is not the  
11 kind of fraud that is as damaging as like a Ponzi scheme or  
12 something like what Sam Bankman-Fried did, stealing from  
13 clients. It's not a fraud that leaves people penniless and  
14 without their life's savings and things like that. It's not a  
15 good thing. I'm not here to explain away my client's conduct.  
16 It was reprehensible, it was wrong, we admit that. He's taken  
17 a guilty plea. But it is not the kind of fraud that is so  
18 damaging as something like a Ponzi scheme is.

19 And that's another thing to consider here. That's why  
20 typical healthcare frauds get a sentence of somewhere between  
21 20 and 30 months, and that's why we've proposed a sentence  
22 significantly in excess of that. That's why bribery cases  
23 typically get a sentence in the 18-month, 24-month range. We  
24 pled guilty to bribery. We didn't even plead guilty to  
25 healthcare fraud. We've asked for a sentence of three, four

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1 times that.

2 So we understand that a very serious penalty has to be  
3 paid here. We're willing to accept it. I would submit that  
4 84 months or 96 months is plenty in a case like this, plenty.

5 I really don't have more to say on behalf of my  
6 client, your Honor. I simply want to remind the Court that  
7 we've asked for a recommendation that the client be housed at  
8 the satellite camp at the Lewisburg, Pennsylvania penitentiary,  
9 that he be recommended for the RDAP program, because he does  
10 have a drinking problem, and that no fine be imposed because he  
11 has signed documents today agreeing to have judgments entered  
12 against him in the amount of \$5 million. I don't think it's  
13 realistic to expect him to pay a fine on top of that. And  
14 we've asked that the Court waive any interest on the \$5 million  
15 he's agreed to pay.

16 Other than that, your Honor, I'm here to answer any  
17 questions you have, take any arrows you want to shoot at me,  
18 and get on with the proceedings.

19 What can I do for you? Sit down and shut up? Okay.

20 Okay, I will.

21 THE COURT: Mr. Pierre, is there anything you wish to  
22 say before the Court imposes sentence?

23 THE DEFENDANT: I would just like to apologize to the  
24 Court for any actions that I may have engaged in, and that's  
25 totally what I want to apologize for with respect to that. And

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1 I want to apologize to you, your Honor, for wasting your time  
2 on this matter.

3 Okay. Thank you.

4 THE COURT: Mr. Andrews?

5 MR. ANDREWS: Briefly, Judge.

6 We spent an extensive amount of time on the sentencing  
7 submission, so I'm not going to rehash all of it, but I do want  
8 to push back on the idea that somehow general deterrence is  
9 something that's just incapable of being sought or accomplished  
10 in cases like this.

11 THE COURT: Well, I think Mr. Riopelle's point is a  
12 little different. His point is, to meet the objective of  
13 general deterrence, the ten-year sentence the government is  
14 seeking is unnecessarily harsh. His argument is that a  
15 sentence of eight years or seven years or six years, those are  
16 all long sentences, and his argument is that they would be  
17 sufficient to accomplish the objective of general deterrence,  
18 and to serve as appropriate punishment for Mr. Pierre's crime.

19 I guess the question to you is: Why is ten years the  
20 right number, as opposed to one of the numbers that  
21 Mr. Riopelle just suggested?

22 MR. ANDREWS: And to use language that your Honor has  
23 used before, because of the unprecedented integrated nature of  
24 this scheme. Bradley Pierre is not some schmo off the street.  
25 He was the leader of a scheme that lasted 13 years. And it

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1 wasn't just a single scheme — it wasn't a bribery scheme, it  
2 wasn't a healthcare fraud scheme — it was all of it. It was a  
3 fully integrated scheme in which Bradley Pierre paid hundreds  
4 of thousands of dollars in bribes to send patients to medical  
5 clinics under his control with the understanding that these  
6 patients were having phony injuries rather than their MRIs so  
7 that they could get unnecessary treatments. But then going one  
8 step beyond that, which was not even precedented in the  
9 *Gulkarov* case, he was sending these people to his wife's law  
10 firm, where he was the, quote-unquote, general manager, and his  
11 wife was making millions of dollars from this and paying him  
12 millions of dollars.

13 So we have the bribery, we have the healthcare fraud  
14 scheme, but now he's corrupting the law firms as well. And  
15 he's laundering this money out of these clinics, using these  
16 phony arrangements, these phony loan arrangements, which are  
17 incredibly sophisticated. It's incredibly difficult for  
18 insurance companies to be able to discover these types of  
19 frauds.

20 And on top of that, he also tried to intimidate a  
21 witness, as the Court is aware from the PSR, the statement of  
22 admitted facts, and also from the government's submission. If  
23 he had been successful and was able to stop the witnesses  
24 working at these clinics speaking to the government, we  
25 wouldn't have a case. And I distinctly remember this happening

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1 when we were talking to this witness, and this witness was  
2 terrified because she didn't know what to do because she was  
3 afraid she was going to lose her job. The defendant had  
4 repeatedly told her, don't speak to the Feds, don't speak to  
5 the Feds, if you speak to the Feds, you're not going to be able  
6 to come back to work.

7 So this isn't just a man who's the leader of a fully  
8 integrated scheme. This is a man who deliberately tried to  
9 tamper with the government's investigation, tamper with a  
10 witness who was a recipient of a grand jury subpoena. And  
11 that's not even getting to the complexity of the tax charges,  
12 which involved a multiyear scheme, multiple different people, a  
13 dirty accountant, multiple different shell companies, in order  
14 to not pay taxes on millions and millions of dollars of illicit  
15 activity.

16 So, you asked me what's the difference between a  
17 five-year sentence and a six-year sentence or a  
18 ten-year sentence, and the answer is that this case will be the  
19 way the cases in the future are judged for the purposes of  
20 sentencing. Your Honor knows better than anybody that whatever  
21 the sentence is in this case, defense counsel will use that in  
22 future cases to say, well, judge, it's not as bad as  
23 Bradley Pierre. The answer is Bradley Pierre has engaged in  
24 extraordinary conduct, and it needs to be made clear to other  
25 people, future defendants, people who would engage in similar

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1 schemes as the defendant, that when you engage in these complex  
2 integrated frauds, you will face significant time in jail. And  
3 that really is what distinguishes this case from the prior  
4 cases that defense counsel was referencing. Those were cases  
5 that were brought in the state. The defense counsel even said,  
6 oh, the sentences were between three and five years or three  
7 and six years or even up to nine years, but never as  
8 significant as a case like this, with so many aggravating  
9 factors in a case like this.

10 And I can say from speaking to cooperating witnesses,  
11 that this prosecution actually has had significant impact on  
12 this industry. It used to be before that referral, a legal  
13 referral, to a clinic, you'd pay \$1,500 to \$3,000, but because  
14 of these types of prosecutions and the dangers that arise if  
15 you're caught, it has pushed down the value of those legal  
16 referrals because people know if they get caught, they will  
17 face significant time and significant punishment.

18 But that's even putting -- that's only talking about  
19 the seriousness of the offense and general deterrence. You  
20 also have to have a comparative analysis between this defendant  
21 and the other defendants that your Honor has sentenced. And  
22 your Honor sentenced Roman Israilov -- I believe it was last  
23 week or the week before that -- and our submission goes to great  
24 lengths to distinguish how the defendant's conduct was, in  
25 fact, much worse than Mr. Israilov's conduct. I'm not going to



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1 go through every single point, because it's all set forth in  
2 the submission, but you can't just take the defendant in  
3 isolation, you also have to take him in the context with the  
4 rest of the sentencings.

5 Unless your Honor has any other questions, we'll rest  
6 on our submission.

7 THE COURT: Mr. Riopelle?

8 MR. RIOPELLE: I would like to respond briefly.

9 I will say that all this stuff about witness tampering  
10 and all that is kind of sandbagging. There's no mention of  
11 that in the presentence report. The government never sought an  
12 upward adjustment for that in the plea agreement. And they saw  
13 fit to lay this out on the eve of sentencing.

14 I don't know why we didn't hear about it until now, if  
15 it was so terrible, but it's not an adjustment in the Court's  
16 own guidelines calculations, which track what's in the plea  
17 agreement. And my client, of course, has a different view, and  
18 I think you can just set that to the side. I don't think it  
19 justifies 120-month sentence as opposed to 84 or 96 or some  
20 other terribly long sentence.

21 THE COURT: Well, are you disputing that this  
22 happened? The government's submission goes into some detail  
23 about what was said.

24 MR. RIOPELLE: I don't dispute it because I don't want  
25 to have a hearing on it, your Honor. I confess, I don't want

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1 to have a hearing on it. I don't know how that would work out.  
2 And because I've never spoken to the witness myself, and I want  
3 to get the client through the process today, I would waive any  
4 right to a hearing on that, but I do note that this is the  
5 first time it's come up, after the case has been pending for  
6 two years, and it was not included in the plea agreement --

7 THE COURT: Well, but the problem, Mr. Riopelle, is  
8 it's in the PSR. The whole story is laid out at paragraph 53  
9 of the PSR.

10 MR. RIOPELLE: And it is not an adjustment to the  
11 guidelines.

12 THE COURT: Oh, well, you're right about that, it's  
13 not an adjustment, but the whole story, which Mr. Andrews went  
14 into in his sentencing submission, it's all laid out in the  
15 PSR, at paragraph 53. I mean the PSR, the final version, that  
16 came out in March --

17 MR. RIOPELLE: I withdraw that.

18 THE COURT: -- but I'm sure there were earlier  
19 versions long before March.

20 So it doesn't seem like sandbagging to me.

21 MR. ANDREWS: And, Judge, I would just clarify for the  
22 record, it was actually paragraph 9 of the statement of  
23 agreed-upon facts from the plea agreement. So the defendant  
24 has agreed not to dispute any of those.

25 MR. RIOPELLE: All right. Well, I withdraw my

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1 objection to that, your Honor. And I agree that tampering with  
2 a witness is a valid reason to enhance a sentence, although it  
3 is not included in the guidelines calculation in this case.

4 Other than that, I don't have -- I just don't see -- I  
5 will say, I do not see what value a 120-month sentence has in  
6 terms of deterrence. I will remind the Court that in the  
7 *Madoff* case, Bernie Madoff got a sentence of 150 years, and we  
8 still see Ponzi schemes coming down the pike every other day.

9 I am sure that a severe sentence of 72 or 84 or  
10 96 months in this case will send all the signal that needs to  
11 be sent, particularly when it is combined with a \$5 million  
12 financial obligation.

13 So I just don't see any virtue in sentencing this  
14 defendant to more than 96 months, as recommended by the  
15 probation department, but I rely on the Court to see it my way,  
16 I hope.

17 Thank you.

18 THE COURT: In deciding upon an appropriate sentence,  
19 I have considered all the factors listed in Title 18, United  
20 States Code, Section 3553(a), including the nature and  
21 circumstances of Mr. Pierre's offenses, his personal history  
22 and characteristics, the need for the sentence imposed to  
23 reflect the seriousness of the offense, the need to promote  
24 respect for the law, to provide just punishment, and to afford  
25 adequate deterrence, both general and specific.

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1 Beginning with the nature and circumstances of the  
2 offenses: Mr. Pierre played a leading role in what was a  
3 massive, multilayered no-fault insurance fraud conspiracy that  
4 continued for 13 years, and resulted in tens of millions of  
5 dollars in fraudulent billings to insurance companies.

6 As I've recounted on prior occasions, the scheme began  
7 with the bribing of hospital workers and NYPD 911 operators,  
8 who had access to the confidential information of motor vehicle  
9 accident victims. The confidential information of the accident  
10 victims was then provided to coconspirators who operated call  
11 centers. Using the accident victims' confidential information,  
12 call center employees called the accident victims, pretending  
13 to be New York State employees who were offering a service to  
14 accident victims, helping them secure appropriate medical  
15 treatment and legal representation.

16 The medical clinics and law firms recommended by the  
17 call center employees were corrupt, however, and the medical  
18 clinics were actually controlled by Mr. Pierre and other  
19 nonphysicians. The doctors at these clinics had surrendered  
20 control over the clinics to Mr. Pierre. It was, for example,  
21 Mr. Pierre who received the majority of the clinics' proceeds  
22 and decided how much the nominal physician owners would be  
23 paid. It was Mr. Pierre who possessed the clinic checkbooks  
24 and presigned checks for the clinics' bank accounts. It was  
25 Mr. Pierre who controlled the debit and credit cards for the

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1 clinics and who made the hiring and firing decisions, and it  
2 was Mr. Pierre who invested the initial funds to set up the  
3 corrupt clinics. It was him who decided where they would be  
4 located. It was Mr. Pierre who negotiated the rent for the  
5 clinics' leases. And it was Mr. Pierre who decided which  
6 attorneys would represent the clinics in litigation.

7 Under New York law, however, it is unlawful for  
8 clinics operated by nonphysicians to seek reimbursement from  
9 insurance companies for the medical treatment they provide.  
10 This law exists precisely because experience has shown that  
11 clinics operated by nonphysicians are more commonly associated  
12 with fraud. This case bears out the legislature's concern.

13 The doctors at Mr. Pierre's clinics prescribed  
14 unnecessary treatments and ordered unnecessary tests in order  
15 to overbill the insurance companies.

16 Mr. Pierre also required the clinics to refer patients  
17 to a network of pharmacies, attorneys, and medical specialists  
18 that he chose. These entities and individuals, all of whom  
19 were handpicked by Mr. Pierre, paid him millions of dollars in  
20 kickbacks.

21 Once the insurance companies paid on the claims,  
22 Mr. Pierre had to devise ways to get the fraud proceeds out of  
23 the corrupt medical clinics. One device that Mr. Pierre used  
24 to disguise his receipt of these funds was phony loan  
25 agreements. In these phony loan agreements, Mr. Pierre

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1 purported to be making nonrecourse loans to the clinics, which  
2 would be paid back only if insurance companies paid on the  
3 clinics' claims. But these agreements set Mr. Pierre's  
4 so-called fee at the twice the amount of the loan to the  
5 practices, and, in reality, Mr. Pierre took almost \$10 million  
6 more out of the clinics than he was authorized to receive under  
7 the purported loan agreements.

8 But Mr. Pierre was not content with simply receiving  
9 the fraud proceeds. He wanted to keep the money and not pay  
10 any taxes on it.

11 To accomplish that separate objective, he set up shell  
12 companies, who provided phony services to the clinics and were  
13 paid in checks that were invariably cashed at check-cashing  
14 companies.

15 Mr. Pierre used the shell companies' cash for his  
16 personal expenses, including for his wedding, for home  
17 renovations, for jewelry, furniture, luxury clothing, travel,  
18 and gifts. Although the expenses were personal in nature, they  
19 were used to claim business expense deductions on the shell  
20 companies' tax returns.

21 Over a 13-year period between 2008 and 2021,  
22 Mr. Pierre took more than \$20 million in fraudulent proceeds  
23 from the medical clinics he controlled, either by transferring  
24 the funds directly to bank accounts under his control or using  
25 the clinics' bank accounts to pay his personal expenses.

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1 As to Mr. Pierre's personal history and  
2 characteristics: He is 45 years old. He was born in Brooklyn.  
3 His father was a taxi driver and later owned a business that  
4 sold taxi medallions. His mother is a social worker. Both his  
5 parents were born in Haiti and became naturalized U.S.  
6 citizens.

7 Mr. Pierre reports that he had a happy childhood  
8 growing up under middle class circumstances in a household that  
9 was free of abuse and neglect.

10 Mr. Pierre has two daughters from a marriage that  
11 ended in divorce in 2006. The daughters are currently ages 15  
12 and 23, and reside with their mother. He has another daughter,  
13 aged 14, from another prior relationship.

14 In 2018, Mr. Pierre remarried to a woman who was a  
15 personal injury lawyer. He referred countless accident victims  
16 to her as a result of the corrupt referrals I discussed  
17 earlier.

18 The couple have a home in Closter, New Jersey, and  
19 also utilize a penthouse apartment on East 54th Street in  
20 Manhattan.

21 As to education: Mr. Pierre graduated from high  
22 school in Brooklyn. He later attended Brooklyn College, and  
23 then Queens College, but did not obtain a degree.

24 In 2015, he obtained a Bachelor's degree from  
25 Grand Canyon University in Phoenix, Arizona, which is an online

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1 school.

2 As to employment, prior to 2008, the defendant reports  
3 only that he operated a management company. He declined to  
4 provide any other information to the probation officer.

5 Since 2008, the defendant has been self-employed as  
6 the CEO of Medical Reimbursement Consultants, Inc., which he  
7 describes as a finance company that purchases claims from  
8 medical offices at a discounted rate and then seeks payment  
9 from insurance companies. This is one of the companies through  
10 which Mr. Pierre perpetrated the fraud that brings us here  
11 today.

12 As to medical condition: Mr. Pierre reports no  
13 serious illnesses or medical conditions.

14 As to substance abuse: Mr. Pierre has abused alcohol  
15 in the past.

16 Finally, Mr. Pierre has no criminal record.

17 To summarize, the guidelines recommend a sentence  
18 between 108 and 120 months' imprisonment. The probation  
19 department has recommended a variance down to eight years'  
20 imprisonment. The government seeks a sentence of ten years'  
21 imprisonment. The defendant seeks a sentence below what the  
22 probation department has recommended.

23 With all this in mind, I'll now describe the reasons  
24 for the sentence I intend to impose, and then I'll ask the  
25 parties if there's anything further they wish to say.



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1 I have sentenced dozens of defendants who were  
2 involved in the insurance fraud I've described a moment ago.  
3 None of them approach the level of culpability of Mr. Pierre.  
4 That is because Mr. Pierre was involved in this massive fraud  
5 at every stage, in a critical fashion, and because he was a  
6 genius at extracting money and preserving his ill-gotten  
7 proceeds every step of the way.

8 As I have discussed, Mr. Pierre operated a number of  
9 corrupt medical clinics at nearly a dozen locations. Because  
10 these clinics were actually run by Mr. Pierre, who is not a  
11 physician, they could not lawfully submit claims for  
12 reimbursement to insurance companies. Accordingly, every claim  
13 submitted by these clinics was fraudulent.

14 But Mr. Pierre did so much more than that. He  
15 personally bribed 911 operators and others to disclose the  
16 confidential information of motor vehicle accident victims. He  
17 paid another individual \$800,000 to bribe other 911 operators  
18 and hospital employees. He paid a coconspirator, Anthony Rose,  
19 \$800,000 to bribe still other 911 operators and the hospital  
20 employees to disclose the confidential information of motor  
21 vehicle accident victims.

22 He used his control of the corrupt medical clinics to  
23 steer patients to seek MRI examinations at an MRI facility that  
24 he also controlled, Nexray Medical Imaging, and he urged the  
25 doctor who purportedly ran Nexray, Dr. William Weiner, to

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1 falsely report injuries on MRI reports.

2 When the radiologists employed at Nexray did not  
3 report enough injuries for Mr. Pierre's taste, he vigorously  
4 complained to Weiner.

5 Mr. Pierre required his medical clinics to use  
6 specific pharmacies, which, of course, paid him more than a  
7 million dollars in kickbacks. He bribed other medical clinics,  
8 likewise controlled by nonphysicians, to refer patients to  
9 Nexray.

10 Because it was necessary to hide the fact that he  
11 controlled the medical clinics, Mr. Pierre counseled the  
12 doctors, who were the purported owners of these clinics, to  
13 lie, and to commit perjury, on nearly a dozen occasions when  
14 questioned at deposition about who owned the clinics.

15 Mr. Pierre also committed money laundering on a  
16 massive scale. Because it was necessary to get the money out  
17 of the clinics once the insurance companies paid on the claims,  
18 Mr. Pierre devised schemes to achieve that objective. As I  
19 noted earlier, he created phony loan agreements for this  
20 purpose.

21 The payments from the clinics went to shell companies  
22 that he controlled. The checks were cashed at a check-cashing  
23 service in order to avoid a paper record, and they were cashed  
24 in amounts under \$10,000 in order to evade the cash transaction  
25 reporting requirement.

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1 He caused hundreds of patients to be steered to his  
2 wife's personal injury firm, which itself laundered millions of  
3 dollars in fraud proceeds through a phony marketing arrangement  
4 between Mr. Pierre's shell companies and the wife's law firm.

5 Mr. Pierre saw no need to pay taxes on the huge amount  
6 of fraudulent income he received. While he used the fraud  
7 proceeds to fund a lavish lifestyle, he deducted all the  
8 payments as business expenses. And when his fraud scheme came  
9 under investigation and the government began issuing grand jury  
10 subpoenas, Mr. Pierre threatened a witness who had received a  
11 grand jury subpoena, telling her that she would likely be fired  
12 if she testified as directed.

13 The litany of crimes that Mr. Pierre committed, in the  
14 context of this scheme, is staggering, and that is what  
15 distinguishes him from other defendants I've sentenced to date.

16 Among the crimes he committed – healthcare fraud,  
17 bribery, perjury, money laundering, tax fraud, witness  
18 tampering – it's a staggering, vast panoply of criminal  
19 activity that went on for 13 years. Every criminal act was the  
20 product of careful thought, planning, and preparation, all with  
21 the goal to extract as much money as possible from this  
22 fraudulent scheme. And Mr. Pierre, of course, was the primary  
23 beneficiary of the criminal activity, to the tune of tens of  
24 millions of dollars.

25 As I noted a moment ago, the probation office has

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1 stated that a variance from the guidelines range is  
2 appropriate, and it has recommended an eight-year sentence  
3 based on the fact that Mr. Pierre is a first offender, that,  
4 for the most part, he has complied with the terms of his  
5 pretrial release, and because of his education and vocational  
6 skills. I believe that the probation department's  
7 recommendation is misguided.

8 As to the first offender point, that argument has  
9 little persuasion here because the defendant intentionally and  
10 deliberately committed a vast array of crimes over a 13-year  
11 period knowing full well that his conduct was illegal. And in  
12 citing the defendant's education and vocational skills, the  
13 probation office has ignored the fact that the defendant chose  
14 to use his considerable intelligence and organizational  
15 abilities to commit serious crimes, and to greatly enrich  
16 himself in the process.

17 While I do believe that a robotic application of the  
18 sentencing guidelines can, in some cases, result in injustice,  
19 this is not such a case. The facts here cry out for a severe  
20 sentence, and given that Mr. Pierre is the most culpable  
21 defendant I have sentenced to date, his sentence must be  
22 greater than what I have imposed in other cases.

23 Having carefully considered all the circumstances, I  
24 see no basis for a variance here. I intend to impose an  
25 aggregate sentence of ten years, the top of the guidelines

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1 range.

2 With respect to supervised release: I intend to  
3 impose an aggregate term of three years on the following  
4 conditions:

5 Mr. Pierre will not commit another federal, state, or  
6 local crime;

7 He will not illegally possess a controlled substance;

8 He will refrain from the unlawful use of a controlled  
9 substance.

10 I intend to suspend the mandatory drug testing  
11 condition in favor of a special condition requiring substance  
12 abuse treatment and testing.

13 Mr. Pierre will cooperate in the collection of DNA, as  
14 directed by the probation officer.

15 I intend to impose the standard conditions of  
16 supervised release set forth in the presentence report, along  
17 with the following special conditions:

18 Mr. Pierre will participate in an outpatient treatment  
19 program approved by the U.S. Probation Office, to include  
20 testing to determine whether he has reverted to use of alcohol.

21 I authorize the release of any available substance  
22 abuse treatment evaluations and reports to the substance abuse  
23 treatment provider.

24 Mr. Pierre will submit his person and any property,  
25 residence, vehicle, papers, computer or other electronic

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1 communication or data storage device, cloud storage or media  
2 and effects to a search by any U.S. probation officer where  
3 there is a reasonable suspicion that a violation of the  
4 conditions of his supervised release may be found. Failure to  
5 submit to a search may be grounds for revocation.

6 Mr. Pierre will warn any other occupants that the  
7 premises may be subject to search pursuant to this condition.  
8 Any search shall be conducted at a reasonable time and in a  
9 reasonable manner.

10 Mr. Pierre will provide the probation officer with  
11 access to any requested financial information, and he will not  
12 incur new credit charges or open additional lines of credit  
13 without the approval of the probation officer.

14 I do not intend to impose a fine because I find, after  
15 taking into account the other financial penalties I intend to  
16 impose, that Mr. Pierre lacks the ability to pay a fine.

17 I am required to impose a \$200 special assessment.

18 As to forfeiture: I have been given a proposed  
19 consent preliminary order of forfeiture that the parties have  
20 executed.

21 Mr. Pierre, is this your signature on the consent  
22 preliminary order of forfeiture?

23 THE DEFENDANT: Yes, your Honor.

24 THE COURT: And did you discuss it with Mr. Riopelle  
25 before you signed it?

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1 THE DEFENDANT: Yes, your Honor.

2 THE COURT: And do you understand that it obligates  
3 you to forfeit \$3.5 million to the United States?

4 THE DEFENDANT: Yes, your Honor.

5 THE COURT: It is my intention to sign the proposed  
6 consent preliminary order of forfeiture.

7 As to restitution, the parties have submitted a  
8 proposed consent order of restitution that they have executed.

9 Mr. Pierre, is this your signature on the consent  
10 order of restitution?

11 THE DEFENDANT: Yes, your Honor.

12 THE COURT: And did you discuss it with Mr. Riopelle  
13 before you signed it?

14 THE DEFENDANT: Yes, your Honor.

15 THE COURT: And do you understand it requires you to  
16 make restitution to the Internal Revenue Service in the amount  
17 of \$1,563,558?

18 THE DEFENDANT: Yes, your Honor.

19 THE COURT: I intend to sign the consent order of  
20 restitution.

21 Mr. Riopelle, is there anything further you wish to  
22 say?

23 MR. RIOPELLE: No, your Honor. I apologize for making  
24 that mistake as to the obstruction issue.

25 THE COURT: Mr. Pierre, is there anything further you

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1 wish to say?

2 THE DEFENDANT: No, your Honor. Thank you so much.

3 THE COURT: Mr. Andrews, anything else for the  
4 government?

5 MR. ANDREWS: No, your Honor.

6 THE COURT: Mr. Pierre, for the reasons I just stated,  
7 it is the judgment of this Court that you be sentenced to  
8 five years' imprisonment on each of Counts Four and Seven, with  
9 those sentences to run consecutively.

10 You are sentenced to three years' supervised release  
11 on each of Counts Four and Seven, with those terms to run  
12 concurrently.

13 Your terms of supervised release will be subject to  
14 the mandatory, standard, and special conditions I just  
15 mentioned.

16 You are also ordered to pay a special assessment of  
17 \$200.

18 You are ordered to forfeit \$3.5 million to the  
19 United States, as set forth in the consent preliminary order of  
20 forfeiture.

21 You are ordered to make restitution to the  
22 Internal Revenue Service in the total amount of \$1,563,558, as  
23 set forth in the consent order of restitution.

24 Mr. Andrews, does the government move to dismiss any  
25 open counts?



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MR. ANDREWS: Yes, your Honor.

THE COURT: As to designation, the defendant has requested that I recommend to the Bureau of Prisons that he be designated to the federal prison camp at Lewisburg, Pennsylvania, and I do make that recommendation to the Bureau of Prisons.

The defendant has also requested he be considered for entry into the Bureau of Prisons' RDAP program. Given the defendant's abuse of alcohol in the past, I likewise make that recommendation to the Bureau of Prisons.

As to the surrender date, the defendant has requested eight weeks to surrender, which would bring us to July 22nd, 2024.

Does the government have any objection to that request?

MR. ANDREWS: No, your Honor.

THE COURT: Then I will direct, and I do direct, Mr. Pierre to surrender to the designated institution by July 22nd, 2024, at 2:00 p.m. If Mr. Pierre has not been designated to an institution by that date, he is directed to surrender to the U.S. Marshal for this district by 2:00 p.m. on July 22nd, 2024.

Mr. Pierre, I do want you to be aware that if you do not surrender by that date and time, you would be committing a separate federal offense, for which you could receive a

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1 separate and consecutive sentence.

2 Mr. Pierre, I am obligated to advise you of your  
3 appeal rights. You can appeal your conviction if you believe  
4 that your guilty plea was unlawful or involuntary or if there  
5 was some other fundamental defect in the proceedings that was  
6 not waived by your guilty plea.

7 You also have a statutory right to appeal your  
8 sentence under certain circumstances. With few exceptions, any  
9 notice of appeal must be filed within 14 days of judgment being  
10 entered in your case. Judgment will likely be entered  
11 tomorrow. Mr. Riopelle will discuss with you whether or not  
12 you wish to file a notice of appeal.

13 If you're not able to pay the costs of an appeal, you  
14 may apply for leave to appeal in forma pauperis. If you  
15 request, the Clerk of Court will prepare and file a notice of  
16 appeal on your behalf.

17 Mr. Andrews, is there anything else from the  
18 government?

19 MR. ANDREWS: Nothing from the government.

20 THE COURT: Mr. Riopelle, anything else for the  
21 defense?

22 MR. RIOPELLE: No, your Honor.

23 THE COURT: We are adjourned.

24 THE DEFENDANT: Thank you, your Honor.

25 (Adjourned)